GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:3505
ANSWERED ON:06.08.2002
POSITION OF GOVERNMENT UNDERTAKINGS RUNNING IN LOSS
RAJO SINGH

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) the present status of undertakings under the Ministry of Chemicals and Fertilizers running in loss and the steps taken by the Government to improve their condition; and

(b) the production position of these undertakings?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS & FERTILIZERS (SHRI TAPAN SIKDAR)

(a) The status of loss making Public Sector Undertakings (PSUs) under the Ministry of Chemicals & Fertilizers and the steps taken by the Government to improve their condition is given below:-

FERTILIZER SECTOR

Of the fertilizer Public Sector Undertakings, Hindustan Fertilizer Corporation Ltd. (HFC), Fertilizer Corporation of India Ltd. (FCI), Projects & Development India Ltd. (PDIL) and Pyrites, Phosphates and Chemicals Ltd. (PPCL) have been declared sick by the Board for Industrial and Financial Reconstruction (BIFR). Fertilizers and Chemicals Travancore Ltd. (FACT) and Madras Fertilizers Ltd. (MFL) have been incurring losses for the last few years. Proposals for financial assistance to FACT and MFL have been approved by the government and implemented to help these companies to improve their financial position. The Government have decided to close/hive off Haldia Fertilizer Project, Fertilizer Promotion and Agricultural Research Division and other support establishments, such as marketing/purchase/liaison divisions, etc. of HFC; close/hive off Ramagundam, Talcher, Gorakhpur units, Korba Division of FCI; hiving off Jodhpur Mining Organisation of FCI, into a separate independent entity; close/hive off of Dehradun and Saladipura units of PPCL including the closure of iron pyrites mines at Saladipura. Rehabilitation proposals of Durgapur and Barauni units of HFC, Sindri unit of FCI, Amjhore unit of PPCL and PDIL are before the Group of Ministers (GOM).

CHEMICALS SECTOR

Of the PSUs in the Chemicals Sector, Hindustan Organic Chemicals Limited (HOCL) and Hindustan Insecticides Limited (HIL) have been incurring losses for the last few years. Government guarantees to raise resources and support as grant in aid to implement Voluntary Retirement Scheme (VRS) has been extended by the Government to help HOCL. Grant-in-aid for implementing VRS has also been given to HIL by the Government.

PHARMACEUTICALS SECTOR

All the PSUs in the pharmaceuticals sector have been declared sick by the (BIFR). The future of these companies including proposal for their revival would be determined by the proceedings and final decision of the BIFR.

(b) The details of production by the above loss making PSUs are given below:-

FERTILIZER SECTOR ('000 MTs)

Name of PSU	Production of Fertilizer Nutrients in 1999-2000			Production of Fertilizer Nutrients in 2000-2001			Production of Fertilizer Nutrients in 2001-2002		
	N	P	Total	N	P	Total	N	P	Total
HFC	56.3	-	56.3	76.9	-	76.9	29.6	-	29.6
FCI	140.7	-	140.7	109.2	-	109.2	35.1	-	35.1
PPCL	-	2.2	2.2	-	0.2	0.2	-	-	-
FACT	327.5	156.9	484.4	344.2	167.6	511.8	221.9	165.2	387.1

CHEMICALS SECTOR

Name of PSU	Production during January to March 2001 in MTs	Production during January to March 2002 in MTs
HOCL	43098	27825
HIL	4227	4382

PHARMACEUTICALS SECTOR

Sl.No.	Name of PSU	Production in 2001-02 in Rs. (lakhs) terms
1.	Indian Drugs & Pharmaceuticals Ltd.	687.34
2.	Hindustan Antibiotics Ltd.	8564.31
3.	Bengal Chemicals & Pharmaceuticals Ltd.	4803.85
4.	Bengal Immunity Ltd.	58.23
5.	Smith Stanistreet Pharmaceuticals Ltd.	319.00